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6 NANCY HO. BELLI, President and Sole Owner of GLOMETRO, INC.,
7

8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**
10 **SAN FRANCISCO DIVISION**
11

12 In Re: CASE NO: 10-30380 DM 11
13 GLOMETRO, INC.,
14 Chapter 11
15 Debtor.

16 Taxpayer's Identification No. 94-3265040

Adv. No. 10-30380-D M

17 **DEBTOR GLOMETRO, INC.,**
18 **STATUS REPORT**

19 Status Conference Date:

July 23, 2010

20 Time: 1.30 p.m.

21 Place: Court Room 22

235 Pine Street

San Francisco, California

22 Judge: The Hon. Dennis Montali
23

24 **TO: THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY JUDGE**
25 **AND ALL OTHER PARTIES IN INTEREST IN THE ABOVE REFERENCED**
26 **MATTER:**
27

CENTRAL ISSUE IN THIS CASE

1. The central issue in this case is “*Accounting, by the East West Bank, East West Investments Inc.,*” herein after referred as the “*BANK*”.
2. The claim filed by the BANK in the above referenced case, for \$6.9 million, is “FALSE” and “FRAUDULENT”. BANK never gave such loan to the DEBTOR GLOMETRO, INC., hereinafter referred as the “DEBTOR.”
3. The DEBTOR have a CASH OFFER for the real property subject of this litigation, enough to pay all creditors, if there is proper accounting by the BANK.
4. Claim by the BANK that DEBTOR owes the BANK \$6.9 million, is false and a fraudulent claim. DEBTOR will file Adversary Proceedings in this Court at the earliest possible.
5. The B.A.R. Contractors, Inc., hereinafter referred as “CONTRACTOR”, has Adversary Proceeding, which is directly related to the accounting by the BANK.
6. BANK never gave any money to the DEBTOR. If BANK advanced any money, it was only advanced to the CONTRACTOR. The accounting in this case, is not difficult because all money was advanced by checks and not cash. In this computer age, it should not be very difficult, to determine how much money the BANK loaned.
7. When the DEBTOR entered into agreement with BANK, it was DEBTOR’S understanding that BANK will give sufficient funds to complete the project under construction. However, the loan documents were “Predatory” in nature. It was an attempt by the BANK to take this LANDMARK building, with the voidable documents. The loan documents in this case are fraudulent and voidable. Debtor have a cash offer sufficient to all pay creditors including BANK, as long as there is proper accounting as required under the laws of the United States and the State of California. This court is the proper court to resolve all matters in this case, and there are no reasons that the CONTRACTOR claim should be sent to the State Court. A proper accounting by the BANK will resolve the CONTRACTOR claim and the claims of all other creditors, in this matter. There is a cash offer, and an open escrow, with the Title Company at this time. Time is of essence in all real estate transactions.

**SUBJECT REAL PROPERTY AND STOCKING HORSE
BIDDER, BANKRUPTCY CODE SECTION 363 SALE**

8. The real property subject of this litigation, commonly known as 722-728 Montgomery Street, San Francisco, California 94111, is *"The Birth place of Freemasonry in California, is identified as the Historical Landmark No. 408, and the former Law Offices Of Melvin Belli"*.

9. Investors and developer nationally and internationally are interested in the subject property. For the reason stated, the undersigned have discussed the auction process related to the subject property with:

Michael C. Walter
Tranzon Asset Strategies
Corporate Office
9880 - Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: 949-727-9022

10. It is estimated that the Auction Process can be completed in matter of weeks. In view of the stated facts, DEBTOR will request the Bankruptcy Court at the earliest possible for the approval of the Stocking Horse Bidder and the bidding procedure.

CONCLUSION

All creditors in this action will be paid in full, if the BANK provides proper accounting as required by law, at the earliest possible.

Date: _____

/SD/

Attorney for the Debtor in Possession
GLOMETRO, INC., and NANCY HO. BELLI,
President and Sole Owner of GLOMETRO, INC.